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Comments on Soviet Proposals for Long Term Exchanges

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25X1X1

1. An assessment of the "net gain", as defined, 25X1X1 in categories as broad as mining and metallurgy cannot be made on an overall basis. A net gain might accrue to the US under some circumstances and in some aspects of these broad fields but the advantage would accrue to the Soviets in others. Assessments of net gain have been made in the past only in more restricted fields and then only on the basis of specific itineraries.

- 2. A condition precedent to a net gain on the part 25X1X1 of the US would be the full cooperation of the affected US industries. In no case is it probable that cooperation for a long term exchange will be offered by US industries in these fields until the short exchanges previously proposed by the Soviets have taken place, and unless the observations then made suggest that a more extensive survey would be rewarding.
- 3. At present the short term steel exchange is in abeyance because of the Soviet failure to approve the suggested itinerary in the USSR and the short term mining and nonferrous metallurgical exchanges are without US industry sponsorship. The latter situation is largely due to skepticism on the part of the US nonferrous industry that the USSR possesses installations comparable to those the Soviets wish to see in the US, which in turn may result of the Soviet practice of concealing their operations in this field. It is, believed that if the Soviets were to provide evidence of the existence of such



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installations, including appropriate details of mining and metallurgical practices and output, the US nonferrous industry would be willing to participate in a short term exchange in these fields, after which exchange of longer duration could be considered.

